GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:2835
ANSWERED ON:17.12.2004
AUSTERITY MEASURES
Jha Shri Raghunath

Will the Minister of FINANCE be pleased to state:

(a) whether despite issue of instructions for avoiding excess expenditure over voted grants/charged appropriations expenditure over voted grants/charged appropriations still continue unabatedly ;

(b) if so, the reasons therefor and the reaction of the Ministry thereon; and

(c) the details of the excess expenditure over voted grants/charged appropriations by the Ministries/departments after the issue of instructions by the Ministry of Finance?

Answer

MNISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S.PALANIMANICKAM)

(a) to (c) The General Financial Rules of the Government of India lay down that no expenditure shall be incurred in excess of the grant or appropriation authorised by Parliament by law for a financial year. Despite this, there are instanceiof excess expenditure under a few grants/appropriations. To avoid these, instructions have been issued from time to time to the Ministries/Departments to strictly monitor the flow of expenditure against the authorised provisions. Ministry/Department-wise details of the excess expenditure, along with reasons therefor, are being placed before the House from time to time in the form of the `Demands for Excess Grants` in respect of the year in which the excess occurred, for consideration and passing of excess grants, on the basis of the recommendations of the Public Accounts Committee. Such details have been placed before the House upto] the year 2001-2002 for which recommendations of the Public Accounts Committee have been received.